



News Release

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NASA Contractor Sentenced for Fraud

On February 16, 2000, Olson Associated of Daytona Beach, Inc. (Olson), was sentenced in U.S. District Court, Orlando, FL, and ordered to pay \$885,519 in restitution to the National Aeronautics and Space Administration (NASA) and a special assessment of \$200.

On November 17, 1999, Olson pled guilty to a one count criminal information for violating the Major Fraud Act, Title 18, United States Code, Section 1031. An investigation disclosed Olson devised a scheme to defraud the United States in order to obtain money or property by means of false and fraudulent pretenses, representations, and promises.

Olson was created by Olson Electric Company, Daytona Beach, FL, in order to obtain small business set-aside contracts at Kennedy Space Center (KSC), FL. Olson falsely certified it was a Small Woman-Owned Business in order to obtain a \$3.2 million NASA subcontract to refurbish Shuttle Launch Pad 39A at KSC. The firm then entered into management agreements with Olson Electric Company to perform the contract. The bid submitted by Olson was an identical match to the government's independent in-house estimate. Olson was also awarded a NASA subcontract, valued at \$850,000, to perform electrical modifications at KSC. In furtherance of the scheme to defraud, Olson submitted numerous false claims under the two subcontracts resulting in overpayments totaling approximately \$885,519.

The investigation was conducted by Special Agents of the NASA Office of Inspector General, Office of Criminal Investigations and the Federal Bureau of Investigation. The prosecution was handled by Assistant United States Attorney Gregory N. Miller, Middle District of Florida, Orlando Division (407) 648-7500.

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